

Exhibit No. 1Date 4.3.13Amendments to House Bill No. 54 Bill No. HB 54
3rd Reading Copy

For the Senate State Administration Committee

Prepared by Sheri Scurr
April 3, 2013 (8:33am)

1. Page 14.

Following: line 21

Insert: "COORDINATION SECTION. Section 12. Coordination instruction. If House Bill No. 78 and [this act] are both passed and approved and if both contain sections amending 19-20-733, then the sections amending 19-20-733 are void and 19-20-733 must be amended as follows:

"19-20-733. Resumption of employment by retired member -- suspension of benefits. ~~(1)~~ [Except as provided in 19-20-732, and] subject to [section 2 of House Bill No. 78], the following provisions apply:

(1) ~~if~~ If a retired member returns to employment in a position covered by the retirement system and becomes an active contributing member, benefits must be suspended until the member terminates all employment and applies to have benefits reinstated.

(2) ~~Except as provided in subsection (4), upon~~ Upon termination and retirement of a previously retired member who was reinstated to active membership pursuant to 19-20-731 before July 1, 2009:

(a) if the member earned less than 1 year of creditable service, the original benefit and retirement option that the member was receiving at the time of suspension of benefits must be reinstated beginning either the first of the month following termination or on July 1 following the date on which the retired member was reemployed, whichever is later; or

(b) if the member earned 1 year or more of creditable service, retirement benefits must be recalculated under 19-20-804 if the member would qualify for a service retirement benefit under 19-20-801 or under 19-20-802 if the member is eligible for early retirement. The recalculated benefit must include the service credit accumulated at the time of the member's previous retirement, plus any service credit accumulated subsequent to reemployment. The recalculated benefit amount must be increased by the amount of any benefit enhancement received pursuant to 19-20-719 that the retired member was receiving when the member's benefits were suspended.

(3) (a) ~~Except as provided in subsection (4)~~ (3)(c), upon the subsequent retirement of a formerly retired member who was reinstated to active membership pursuant to 19-20-731 on or after July 1, 2009, and earned:

(i) at least 3 years of membership service following suspension of benefits, the member is entitled to resume

receiving the suspended benefit in accordance with the retirement benefit option and joint annuitant previously selected, plus an additional benefit based upon the new creditable service and compensation earned. The second benefit must be calculated as provided under 19-20-804 if the member is eligible for a service retirement benefit or under 19-20-802 if the member is eligible for early retirement. The second benefit must be paid under the same retirement benefit option and with the same joint annuitant originally elected.

(ii) less than 3 years of membership service following suspension of benefits, the member is entitled to resume receiving the suspended benefit in accordance with the retirement benefit option previously selected, plus a refund of the employee contributions contributed after the member was reinstated to active service, plus interest.

(b) If a member dies during the period of reemployment following an initial retirement, the member must be considered as retiring on the day preceding the date of death and benefits must be determined according to the following:

(i) If the member elected the normal form benefit prior to reemployment, the member's designated beneficiary must receive an amount equal to the member's accumulated contributions on deposit.

(ii) If the member elected a retirement option pursuant to 19-20-702 prior to reemployment, the benefits due are payable in accordance with the terms of the original option elected and this subsection (3).

~~(4) If a retired member who has not attained normal retirement age is reemployed with the same employer within 30 days from the member's effective date of retirement or if that member is guaranteed reemployment with the same employer, the member must be considered to have continued in the status of an active member and not to have separated from service. Any retirement allowance payments received by the member must be repaid to the system, together with interest, at the actuarially assumed rate, and the retirement allowance must be canceled.~~

(c) If the joint annuitant nominated prior to the member's reemployment under retirement option A, B, or C dies prior to the member rereading, the member will be given the option to select either the normal form retirement benefit or a retirement option as provided in 19-20-702. (Bracketed language terminates June 30, 2015--sec. 5, Ch. 129, L. 2009.)"

Insert: "COORDINATION SECTION. Section 13. Coordination instruction. If House Bill No. 377 and [this act] are both passed and approved and if both contain sections amending 19-20-801, then the sections amending 19-20-801 are void and 19-20-801 must be amended as follows:

"19-20-801. Eligibility for service retirement. (1) A tier one member who is eligible to receive a service retirement allowance calculated under 19-20-804(1) if the member:

(a) has been credited with at least 5 full years of

creditable service and ~~who~~ has attained the age of 60; or

(b) has been credited with full-time or part-time creditable service in 25 or more years ~~may retire from service if the member has.~~

(2) Except as provided in subsection (3), a tier two member is eligible to receive a service retirement allowance calculated under 19-20-804(1) if the member:

(a) has been credited with at least 5 full years of creditable service and has attained the age of 60; or

(b) has been credited with full-time or part-time creditable service in 30 or more years and has attained the age of 55.

(3) A tier two member who has been credited with 30 or more years of creditable service and has attained the age of 60 is eligible for a professional retirement option allowance calculated under 19-20-804(2).

(4) To receive a retirement allowance under 19-20-804, the member must have terminated employment in all positions ~~from which the member is eligible to retire and files reportable to the retirement system and must file a written application with the retirement board~~ a written application.

(5) A vested member who has attained normal retirement age has a nonforfeitable right to the benefits accrued and payable under the provisions of this chapter, subject to the member's right to withdraw the member's accumulated contributions under 19-20-603."

Insert: "COORDINATION SECTION. Section 14. Coordination instruction. If House Bill No. 377 is passed and approved and if includes a section amending 19-20-802, then [section 7 of this act] amending 19-20-802 is void."

Renumber: subsequent section

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